

**BYLAWS OF THE
NORTH FIGUEROA ASSOCIATION**

A CALIFORNIA PUBLIC BENEFIT CORPORATION

**ARTICLE I
OFFICES**

SECTION 1. PRINCIPAL OFFICE

The principal office of the corporation for the transaction of its business is located in Los Angeles County, California as defined by the map attached as "Exhibit A" and incorporated in these by-laws by reference.

SECTION 2. CHANGE OF ADDRESS

The County of the corporation's principal office can be changed only by amendment of these Bylaws and not otherwise. The Board of Directors may, however, change the principal office from one location to another within the named county by noting the changed address and effective date below, and such changes of address shall not be deemed an amendment of these Bylaws:

Dated: _____, 2001

SECTION 3. OTHER OFFICES

The corporation may also have offices at such other places, within or without the State of California, where it is qualified to do business, as its business may require and as the Board of Directors may, from time to time, designate.

**ARTICLE II
PURPOSES**

SECTION 1. OBJECTIVES AND PURPOSES

The primary objectives and purposes of this corporation shall be:

- a) To bring about the revitalization of the **North Figueroa community** and its related commercial corridor in the City of Los Angeles and its surrounds.
- b) To bring about the investment of private and public capital within the **North Figueroa District** and its surrounds for public benefit and charitable purposes.

- c) To bring about the increased provision of quality public improvements and educational, cultural, artistic, charitable, and social services within **the North Figueroa community** and its surrounds for the public benefit and charitable purposes.
- d) To bring about the increased economic well being of property owners, employees, and businesses within **the North Figueroa District** and its surrounds as well as general benefit for the community of Highland Park in Los Angeles; (Exhibit A)
- e) To provide improvement and activities which confer special benefit to real property owners in the **North Figueroa District** as well as economic development and commercial revitalization within the **District** and the surrounding community. Improvements and activities include implementation of clean, safe and beautification programs as well as any other related activities which will directly improve the economic prosperity of the business and residential community within **the North Figueroa District**.

ARTICLE III

VOTING DELEGATES

Section 3.1 Delegates.

All Delegates admitted pursuant to Section 3.2 (a) shall be entitled to vote in annual elections.

Section 3.2 Qualifications.

Voting Delegates shall be limited to:

- (a) *District Delegates:* Those persons (including corporations and other associations) who have *fully paid* into the Highland Park/North Figueroa Property Business Improvement District, as established by Ordinance by the City Council of Los Angeles in September 2001, shall be considered voting delegates and shall be eligible to vote in annual elections of the Board of Directors. *All parcel owners, or their official delegates, paying into the Highland Park/North Figueroa PBID, based upon their assessment weight in the district,* shall have the right to vote in the annual Board elections as well as participate in the Board of Director's meetings, its committee and any and all functions of the Corporation.
- (b) *Ex-officio Members:* The Board shall, upon majority vote, have the right to appoint individuals to the position of non-voting "ex-officio" members of the Board. Ex-officio members shall sit on the Board, at the pleasure of the Board, based upon specific knowledge, expertise, influence or status that individual may possess which is related to the implementation of the goals of the Corporation. Ex-officio members shall not be entitled to vote.

Section 3.3 Termination

Any voting delegate in arrears in the payment of any portion of their annual PBID assessments, charges or dues shall be so notified by the Secretary and, if the same are not paid within thirty (30) days thereafter, the name of such delegate so in arrears may, upon resolution of the Board of Directors, be dropped from the roll of membership.

ARTICLE IV **ELECTION OF DIRECTORS**

SECTION 1. ELECTION METHOD

- a) The Board of Directors may determine each September whether elections are to be conducted by written ballot by voting delegate/parcel owners or at the Annual meeting.
- b) In absence of a determination, the method of selection shall be by written ballot by voting delegate/parcel owners and confirmed by vote of the Directors.

SECTION 2. NOMINATING COMMITTEE.

- a) The President or Chairman of the Board, shall appoint a committee to propose qualified candidates who own parcels in the District for election to the Board of Directors at the Directors meeting *at least 60 days before the date of any election of Directors*. The Nominating Committee shall consist of at least three members. The Nominating Committee shall make its solicitations known to the Directors and potential candidates by mail after the September Director's meeting. The Secretary shall forward to each potential candidate/parcel owner, a notice of the Annual meeting, a list of Board seat openings and the method of nomination. The Secretary's Annual meeting notice and nomination materials should be mailed immediately following the September meeting to each Director and potential candidate. The Secretary shall mail to North Figueroa PBID parcel owners an election notice and materials, and petition forms concerning the elections for Directors and require the receipt of completed petitions no later than 10 days prior to the October Director's meeting. The notice should clearly indicate that the Directors will consider, at the October Director's meeting, the eligibility of parcel owners to serve as voters for the Annual meeting. A notice of these materials should be published in a newspaper of general circulation and these materials may be a portion of the corporation newsletter, if mailed by first class postage.
- b) Members representing at least ten (10) parcels or two percent of the weighted assessment district annual revenue flow, whichever is less, may nominate candidates for Directorships at any time before the October Director's meeting preceding such election. On timely receipt of a petition signed by the required number of parcel owners, the Secretary shall cause the names of those parcel owners named on it to be placed on the ballot.

c) At the October Director's meeting, the Directors will consider a report from the Secretary on a list of potential candidates. The Directors will consider member qualifications as parcel owners and by the status of their payments. All parcel owners found eligible and selected may be appointed as voting delegates to vote on Directors and participate in the annual meeting. **North Figueroa PBID parcel owners** present at the October Director's meeting should review the Secretary's list and bring to the Directors attention any concerns regarding eligibility of a parcel owner's representative to serve as a voting delegate.

d) Following the Secretary's report the Nominating Committee report shall be considered, additional nominations may be made, by Directors, from the floor provided that the nominee so named is a parcel owner in good standing and has, if absent, submitted in writing a statement indicating their interest in serving, or is present. The Directors will adopt a recommended slate of Candidates, close nominations, and order the preparation of a written ballot. The form of the written ballot may provide a recommended slate by majority vote of the Directors and may contain proposals for consideration by the delegates.

e) Following this meeting and no later than the 14 days after the October Director's meeting, a written ballot shall be prepared and mailed which lists *Candidates for the Board of Directors* and any proposals to be submitted to the parcel owners for consideration. The written ballot may be accompanied with an annual report and/or any other materials authorized by the Directors. Written ballots shall be mailed by first class mail to all parcel owners of record as of the preceding May or that had demonstrated delegate eligibility at the October meeting, as confirmed by vote of the Directors. In order for a ballot to be counted it must be properly authenticated and received in a timely manner. Ballots may be hand delivered to the Corporation's principal office until 5:00 p.m. on the day designated by the Board or delivered by mail with a postmark at the principal office no later than two days prior to the date designated by the Board, or registered on a secured web site subject to approval of the Board.

f) *There shall be no cumulative nor proxy voting.* Each voting delegate parcel owner shall cast a maximum of their weighted voted, divided by the number of open seats, for any one candidate on the ballot. Each parcel owner shall be entitled to vote based upon the number of dollars they have paid into the district the previous year, *this shall constitute their weighted vote.* Thus, the total number of votes to be cast for all candidates, within a given year, shall not exceed the amount of dollars fully paid into the Highland Park/North Figueroa PBID for the current fiscal year. Voting delegates may expend their weighted votes on one or more candidates, *but under no circumstances may a voting delegate apportion more votes to one candidate over and above the total number of their entitled weighted votes, divided by the number of open positions on the ballot.* Persons entitled to vote at any Board meeting shall be members in good standing as required as of the date determined in accordance with Section 3.2, subject to the provisions of the California Nonprofit Corporation Law.

g) Candidates for Directors receiving the highest number of affirmative weighted votes from eligible voting delegates shall be selected for a Director's seat. Ties will be resolved at the Director's annual meeting. Preliminary results must be posted at the corporate office 24 hours (or a regular business day) after completion of the counting of the ballots, and at least 24 hours

before the annual Director's meeting. Any protest must be filed with the Nominations Committee after the posting of the preliminary results and before the vote of the Director's election at the annual Board of Director's meeting.

h) At the November Director's meeting, or other time specified by the Board of Directors following the October meeting, the Board of Directors will accept the voting results and elect Directors by a majority vote. If all vacancies should not be filled, then the remaining vacancies will be filled by the Directors. The Director's action confirming an election shall be final.

ARTICLE V DIRECTORS

SECTION 1. NUMBER and QUALIFICATIONS

a) The corporation shall have a minimum of five (5) and a maximum of fifteen (15) Directors and collectively they shall be known as the Board of Directors. The number may be changed by a majority vote of the Board of Directors, amendment of or by repeal of this Bylaw and adoption of a new Bylaw, as provided in these Bylaws. Directors must be the designated representative of a parcel owner which has fully paid on each and every parcel included in the North Figueroa Property Business Improvement District. A maximum of two business owners, who do not own property in the district, *may be appointed* to serve as voting members of the Board provided that, at no time, they will constitute 20% (twenty per cent) or more of the voting members of the Board.

SECTION 2. POWERS

Subject to the provisions of the California Nonprofit Public Benefit Corporation law, and any limitations in the Articles of Incorporation and Bylaws relating to action required or permitted to be taken or approved by the members, if any, of this corporation, the activities and affairs of this corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board of Directors.

An interim Board of Directors shall be created to manage the affairs of the Corporation during its initial period. The Interim Board may be in office for up to 24 months, in anticipation of the first full Board of Directors elections to be held in June 2003.

SECTION 3. DUTIES

It shall be the duty of the Directors to:

- a) Perform any and all duties imposed on them collectively or individually by law, by the Articles of Incorporation of this corporation, or by these Bylaws;
- b) Appoint and remove, employ and discharge, and, except as otherwise provided in these Bylaws, prescribe the duties and fix the compensation, if any, of all officers, agents and employees of the corporation;

- c) Supervise all officers, agents and employees of the corporation to assure that their duties are performed properly;
- d) Meet at such times and places as required by these Bylaws;
- e) Register their addresses with the Secretary of the corporation and notices of meetings mailed or telegraphed to them at such addresses shall be valid notices thereof.
- f) Comply with the open meetings and public records section of the Ralph M. Brown Act;

g) Powers relative to Property Business Improvement District

In addition to the foregoing powers, the Board is further empowered to contract with, render professional services to, utilize and cooperate with the City of Los Angeles ("City") in developing, implementing and administering projects and programs consistent with and in furtherance of the purposes set forth in the Ordinance establishing the Highland Park/North Figueroa Property Business Improvement District, including without limitation, the preparation and submission of all plans, goals, reports, schedules, assessments, estimates, budgets, and financial statements which may be required by the City

SECTION 4. TERMS OF OFFICE

- a) Each Director shall hold office until the next annual meeting for election of the Board of Directors as specified in these Bylaws, and until his or her successor is elected and qualifies.
- b) The voting delegate/parcel owners shall elect approximately one half of the authorized Directors during the first election and shall serve for terms of two (2) years or until their successors are elected at the annual meeting. The initial number of 5 or 7 Directors shall have their terms allocated as follows: the top 3 or 4 recipients of weighted votes will serve two year terms on the Board and the remaining 2 or 3 Directors will serve one year terms. During the second annual elections to the Board and thereafter, Board elections will be staggered with half minus one elected the second year and half plus one elected the third year, each serving two year terms to the Board. There shall not be term limits for election to the Board.
- c) Thereafter Directors shall be elected for two year terms. Terms of Directors shall normally end at the annual meeting.

SECTION 5. COMPENSATION

Directors shall serve without compensation.

SECTION 6. PLACE OF MEETINGS

Meetings shall be held at the principal office of the corporation unless otherwise provided by the Board or at such place within or without the State of California which has been designated from

time to time by resolution of the Board of Directors. In the absence of such designation, any meeting not held at the principal office of the corporation shall be valid only if held on the written consent of all Directors given either before or after the meeting and filed with the Secretary of the corporation or after all Board members have been given written notice of the meeting as hereinafter provided for special meetings of the Board. Any meeting, regular or special, may be held by conference telephone or similar communications equipment, so as long as all Directors participating in such meeting can hear one another.

SECTION 7. REGULAR AND ANNUAL MEETINGS

- a) Regular meetings of Directors shall be held at the time designated by the Directors. The Directors shall strive to meet during a regularly scheduled day and time at least 5 times per year.
- b) The participatory method of annual election of Directors is a right guaranteed to the voting delegate/parcel owners of the North Figueroa Property Business Improvement District.
- c) As to Directors selected by voting delegates/parcel owners, there shall be available to the delegates a reasonable nominations and elections process given the nature, size and operations of the corporation. The procedures shall include:
 - 1) A reasonable means of nominating persons for election as Directors.
 - 2) A reasonable opportunity for a nominee to communicate to the voting delegates/parcel owners on the nominee's qualifications and the reasons for the nominee's candidacy.
 - 3) A reasonable opportunity for all nominees to solicit votes.
 - 4) A reasonable opportunity for all voting delegates/parcels owners to choose among the nominees.

SECTION 8. SPECIAL MEETINGS

Special meetings of the Board of Directors may be called by the President, the Chairman of the Board, the Vice President, the Secretary, or by any two Directors, and such meetings shall be held at the place, within or without the State of California, designated by the person or persons calling the meeting, and in the absence of such designation, at the principal office of the corporation.

SECTION 9. NOTICE OF MEETINGS

Regular meetings of the Board must be held consistent with the open meeting provisions of the Ralph M. Brown Act of the State of California. Special meetings of the Board shall be held upon four (4) days' notice by first-class mail or forty-eight (48) hours' notice delivered personally or by telephone, telegraph, fax or e-mail and shall also conform with the appropriate meeting notification and open meeting provisions of the Ralph M. Brown Act. If sent by mail, telegraph, fax or e-mail, the notice shall be deemed to be delivered on its deposit in the mails or on its delivery to the telegraph company. Such notices shall be addressed to each Director at his or her address as shown on the books of the corporation. Notice of the time and place of holding an adjourned meeting need not be given to absent Directors if the time and place of the adjourned meeting are fixed at the meeting adjourned and if such adjourned meeting is held no more than forty eight (48) hours from the time of the original meeting. Notice shall be given of any adjourned regular or special meeting to Directors absent from the original meeting if the adjourned meeting is held more than forty eight (48) hours from the time of the original meeting.

SECTION 10. CONTENTS OF NOTICE

Notice of meetings not herein dispensed with shall specify the place, day and hour of the meeting.

SECTION 11. VOTE OF DIRECTORS

Each Director may cast one vote on any question or proposition to be voted on at a meeting. Votes may not be cast by proxy.

SECTION 12. RULES AND REGULATIONS

The Board of Directors shall have power to make such reasonable rules and regulations and policies not inconsistent with these Bylaws.

SECTION 13. QUORUM FOR MEETINGS

A quorum shall consist of a majority of the Board of Directors.

Except as otherwise provided in these Bylaws or in the Articles of Incorporation of this corporation, or by law, no business shall be considered by the Board at any meeting at which a quorum, as hereinafter defined, is not present, and the only motion which the Chair shall entertain at such meeting is a motion to adjourn. However, a majority of the Directors present at such meeting may adjourn from time to time until the time fixed for the next regular meeting of the Board.

Once the quorum has been met at a given Board meeting, the Board may continue to conduct business and take action, even though quorum is lost, as long as the number of Board members voting on a specific matter equals the threshold necessary to have approved action items before the loss of quorum.

SECTION 14. CONDUCT OF MEETINGS

Meetings of the Board of Directors shall be presided over by the Chairperson of the Board, or, if no such person has been so designated or, in his or her absence, the President of the corporation or, in his or her absence, by the Vice President of the corporation or, in the absence of each of these persons, by a Chairperson chosen by a majority of the Directors present at the meeting. The Secretary of the corporation shall act as secretary of all meetings of the Board, provided that, in his or her absence, the presiding officer shall appoint another person to act as Secretary of the Meeting.

Meetings shall be governed by Roberts Rules of Order, as such rules may be revised from time to time, insofar as such rules are not inconsistent with or in conflict with these Bylaws, with the Articles of Incorporation of this corporation, or with provisions of law.

SECTION 15. ACTION BY TWO THIRDS WRITTEN CONSENT WITHOUT MEETING

Any action required or permitted to be taken by the Board of Directors under any provision of law may be taken without a meeting, if two-thirds of the members of the Board shall individually or collectively consent in writing to such action.

SECTION 16. VACANCIES

Vacancies on the Board of Directors shall exist (1) on the death, resignation or removal of any Director, and (2) whenever the number of authorized Directors is increased.

The Board of Directors may declare vacant the office of a Director who has been declared of unsound mind by a final order of court, or convicted of a felony, or been found by a final order or judgment of any court to have breached any duty under Section 5230 and following of the California Nonprofit Public Benefit Corporation Law.

Any Director may resign effective upon giving written notice to the President, the Secretary, or the Board of Directors, unless the notice specifies a later time for the effectiveness of such resignation.

Vacancies on the Board may be filled by approval of the Board or, if the number of Directors then in office is less than a quorum, by (1) the unanimous written consent of the Directors then in office,

(2) the affirmative vote of a majority of the Directors then in office at a meeting held pursuant to notice or waivers of notice complying with this Article of these Bylaws, or (3) a sole remaining Director.

A person elected to fill a vacancy as provided by this Section shall hold office until the next annual election of the Board of Directors or until his or her death, resignation or removal from office.

SECTION 17. NON-LIABILITY OF DIRECTORS

The Directors shall not be personally liable for the debts, liabilities, or other obligations of the corporation.

SECTION 18. INDEMNIFICATION BY CORPORATION OF DIRECTORS, OFFICERS, EMPLOYEES AND OTHER AGENTS

To the extent that a person who is, or was, a Director, officer, employee or other agent of this corporation has been successful on the merits in defense of any civil, criminal, administrative or investigative proceeding brought to procure a judgment against such person by reason of the fact that he or she is, or was, an agent of the corporation, or has been successful in defense of any claim, issue or matter, therein, such person shall be indemnified against expenses actually and reasonably incurred by the person in connection with such proceeding.

If such person either settles any such claim or sustains a judgment against him or her, then indemnification against expenses, judgments, fines, settlements and other amounts reasonably incurred in connection with such proceedings shall be provided by this corporation but only to the extent allowed by, and in accordance with the requirements of, Section 5238 of the California Nonprofit Public Benefit Corporation Law.

SECTION 20. INSURANCE FOR CORPORATE AGENTS

The Board of Directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the corporation (including a Director, officer, employee or other agent of the corporation) against any liability other than for violating provisions of law relating to self-dealing (Section 5233 of the California Nonprofit Public Benefit Corporation Law) asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the corporation would have the power to indemnify the agent against such liability under the provisions of Section 5238 of the California Nonprofit Public Benefit Corporation Law.

**ARTICLE VI
OFFICERS**

SECTION 1. NUMBER OF OFFICERS

The officers of the corporation shall be a President, a Vice President, a Secretary, and a Chief Financial Officer who shall be designated the Treasurer. The corporation may also have, as determined by the Board of Directors, a Chairperson of the Board, Vice Presidents, Assistant Secretaries, Assistant Treasurers, or other officers. Any number of offices may be held by the same person except that neither the Secretary nor the Treasurer may serve as the President or Chairperson of the Board.

SECTION 2. QUALIFICATION, ELECTION, AND TERM OF OFFICE

Any authorized voting delegate may serve as officer of this corporation. Officers shall be elected by the Board of Directors, at any time, and each officer shall hold office until he or she resigns or is removed or is otherwise disqualified to serve, or until his or her successor shall be elected and qualified, whichever occurs first.

SECTION 3. SUBORDINATE OFFICERS

The Board of Directors may appoint such other officers or agents as it may deem desirable, and such officers shall serve such terms, have such authority, and perform such duties as may be prescribed from time to time by the Board of Directors.

SECTION 4. REMOVAL AND RESIGNATION

Any officer may be removed, either with or without cause, by the Board of Directors, at any time. Any officer may resign at any time by giving written notice to the Board of Directors or to the President or Secretary of the corporation. Any such resignation shall take effect at the date of receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The above provisions of this Section shall be superseded by any conflicting terms of a contract which has been approved or ratified by the Board of Directors relating to the employment of any officer of the corporation.

SECTION 5. VACANCIES

Any vacancy caused by the death, resignation, removal, disqualification, or otherwise, of any officer shall be filled by the Board of Directors. In the event of a vacancy in any office other than that of President, such vacancy may be filled temporarily by appointment by the President until such time as the Board shall fill the vacancy. Vacancies occurring in offices of officers appointed at the discretion of the Board may or may not be filled as the board shall determine.

SECTION 6. DUTIES OF PRESIDENT

The President shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, supervise and control the affairs of the corporation and the activities of the officers. He or she shall perform all duties incident to his or her office and such other duties as may be required by law, by the Articles of Incorporation of this corporation, or by these Bylaws, or which may be prescribed from time to time by the Board of Directors. Unless another person is specifically appointed as Chairperson of the Board of Directors, he or she shall preside at all meetings of the Board of Directors. If applicable, the President shall preside at all meetings of the members. Except as otherwise expressly provided by law, by the Articles of Incorporation, or by these Bylaws, he or she shall, in the name of the corporation, execute such deeds, mortgages, bonds, contracts, checks, or other instruments which may from time to time be authorized by the Board of Directors.

SECTION 7. DUTIES OF VICE PRESIDENT

In the absence of the President, or in the event of his or her inability or refusal to act, the Vice President shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions on, the President. The Vice President shall have other powers and perform such other duties as may be prescribed by law, by the Articles of Incorporation, or by these Bylaws, or as may be prescribed by the Board of Directors.

SECTION 8. DUTIES OF SECRETARY

The Secretary shall:

Certify and keep at the principal office of the corporation the original, or a copy of these bylaws as amended or otherwise altered to date.

Keep at the principal office of the corporation or at such other place as the Board may determine, a book of minutes of all meetings of the Directors, and, if applicable, meetings of committees of directors and of members, recording therein the time and place of holding, whether regular or special, how called, how notice thereof was given, the names of those present or represented at the meeting, and the proceedings thereof.

See that all notices are duly given in accordance with the provisions of these Bylaws or as required by law.

Be custodian of the records and of the seal of the corporation and see that the seal is affixed to all duly executed documents, the execution of which on behalf of the corporation under its seal is authorized by law or these Bylaws.

Keep at the principal office of the corporation a membership book containing the name and address of each and any members, and, in the case where any membership has been terminated, he or she shall record such fact in the membership book together with the date on which such membership ceased.

Exhibit at all reasonable times to any Director of the corporation, or to his or her agent or attorney, on request therefor, the Bylaws, the membership book, and the minutes of the proceedings of the Directors of the corporation. **North Figueroa District Association parcel owners** shall have similar rights of inspection as provided by action of the Directors.

In general, perform all duties incident to the office of Secretary and such other duties as may be required by law, by the Articles of Incorporation of this corporation, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

SECTION 9. DUTIES OF TREASURER

Subject to the provisions of these Bylaws relating to the "Execution of Instruments, Deposits and Funds," the Treasurer shall:

Have charge and custody of, and be responsible for, all funds and securities of the corporation, and deposit all such funds in the name of the corporation in such banks, trust companies, or other depositories as shall be selected by the Board of Directors.

Receive, and give receipt for, monies due and payable to the corporation from any source whatsoever.

Disburse, or cause to be disbursed, the funds of the corporation as may be directed by the Board of Directors, taking proper vouchers for such disbursements.

Keep and maintain adequate and correct accounts of the corporation's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains and losses.

Exhibit at all reasonable times the books of account and financial records to any Director of the corporation, or to his or her agent or attorney, on request therefore. **North Figueroa Property Business Improvement District parcel owners** shall have similar rights of inspection as provided by action of the Directors.

Render to the President and Directors, whenever requested, an account of any or all of his or her transactions as Treasurer and of the financial condition of the corporation.

Prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports.

In general, perform all duties incident to the office of Treasurer and such other duties as may be required by law, by the Articles of Incorporation of the corporation, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

ARTICLE VII COMMITTEES

SECTION 1. EXECUTIVE COMMITTEE

The Board of Directors may, by a majority vote of Directors, designate two (2) or more of its members (who may also be serving as officers of this corporation) to constitute an Executive/Organization Committee and delegate to such Committee any of the powers and authority of the Board in the management of the business and affairs of the corporation, except with respect to:

- a) The filling of vacancies on the Board or on any committee which has the authority of the Board.
- b) The appointment of committees of the Board or the members thereof.

c) By a majority vote of its members then in office, the Board may at any time revoke or modify any or all of the authority so delegated, increase or decrease but not below two (2) the number of its members, and fill vacancies therein from the members of the Board. The Committee shall keep

regular minutes of its proceedings, cause them to be filed with the corporate records, and report the same to the board from time to time as the board may require.

SECTION 2. OTHER COMMITTEES AND TASK FORCES

The corporation shall have such other committees and task forces as may from time to time be designated by resolution of the Board of Directors. Such other committees and task forces may consist of persons who are not also members of the Board. These additional committees and task forces *shall act in an advisory capacity only to the Board* and shall be clearly titled as "advisory" committees.

SECTION 3. MEETINGS AND ACTION OF COMMITTEES AND TASK FORCES

Meetings and action of committees and task forces shall be governed by, noticed, held and taken in accordance with the provisions of these Bylaws concerning meetings of the Board of Directors, with such changes in the context of such Bylaw provisions as are necessary to substitute the committee and its members for the Board of Directors and its members, except that the time for regular meetings of committees may be fixed by resolution of the Board of Directors or by the committee. The time for special meetings of committees may also be fixed by the Board of Directors. The Board of Directors may also adopt rules and regulations pertaining to the conduct of meetings of committees and task forces to the extent that such rules and regulations are not inconsistent with the provisions of these Bylaws.

ARTICLE VIII

EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS

SECTION 1. EXECUTION OF INSTRUMENTS

The Board of Directors, except as otherwise provided in these Bylaws, may by resolution authorize any officer or agent of the corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent, or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

SECTION 2. CHECKS AND NOTES

Except as otherwise specifically determined by resolution of the Board of Directors, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money,

and other evidence of indebtedness of the corporation shall be signed by the Treasurer and countersigned by the President of the corporation.

SECTION 3. DEPOSITS

All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

SECTION 4. GIFTS

The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest, or devise for the charitable or public purposes of this corporation.

ARTICLE IX **CORPORATE RECORDS, REPORTS AND SEAL**

SECTION 1. MAINTENANCE OF CORPORATE RECORDS

The corporation shall keep at its principal office in the State of California:

a) Minutes of all meetings of Directors, committees of the Board and, if this corporation has

members, of all meetings of members, indicating the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof;

b) Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains and losses;

c) A record of its members, if any, indicating their names and addresses and, if applicable, the class of membership held by each member and the termination date of any membership;

d) A copy of the corporation's Articles of Incorporation and Bylaws as amended to date, which shall be open to inspection by the **North Figueroa District parcel owners** or the members, if any, of the corporation at all reasonable times during office hours.

SECTION 2. CORPORATE SEAL

The Board of Directors may adopt, use, and at will alter, a corporate seal. Such seal shall be kept at the principal office of the corporation. Failure to affix the seal to corporate instruments, however, shall not affect the validity of any such instrument.

SECTION 3. DIRECTORS' INSPECTION RIGHTS

Every Director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the corporation.

SECTION 4. MEMBERS' INSPECTION RIGHTS

North Figueroa Property Business Improvement District parcel owners, and if this corporation has any members, then each and every member shall have the following inspection rights, for a purpose reasonably related to such person's interest as a member:

- a) To inspect and copy the record of all members' names, addresses and voting rights, at reasonable times, upon five (5) business days' prior written demand on the corporation, which demand shall state the purpose for which the inspection rights are requested.
- b) To obtain from the Secretary of the corporation, upon written demand and payment of a reasonable charge, an alphabetized list of the names, addresses and voting rights of those members entitled to vote for the election of Directors as of the most recent record date for which the list has been compiled or as of the date specified by the member subsequent to the date of demand. The demand shall state the purpose for which the list is requested. The membership list shall be made available on or before the later of ten (10) business days after the demand is received or after the date specified therein as of which the list is to be compiled.
- c) To inspect at any reasonable time the books, records, contracts, agreements or minutes of proceedings of the members or of the Board or committees of the Board, upon written demand on the corporation by the member, for a purpose reasonably related to such person's interests as a member.

SECTION 5. RIGHT TO COPY AND MAKE EXTRACTS

Any inspection under the provisions of this Article may be made in person or by agent or attorney and the right to inspection includes the right to copy and make extracts.

SECTION 6. ANNUAL REPORT

The Board may cause an annual report to be furnished not later than one hundred and twenty (120) days after the close of the corporation's fiscal year to all Directors of the corporation and, to any member who requests it in writing, which report shall contain the following information in appropriate detail:

- a) The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year;
- b) The principal changes in assets and liabilities, including trust funds, during the fiscal year;
- c) The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes, for the fiscal year;

d) The expenses or disbursements of the corporation, for both general and restricted purposes, during the fiscal year;

The annual report shall be accompanied by any report thereon of independent accountants, or, if there is no such report, the certificate of an authorized officer of the corporation that such statements were prepared without audit from the books and records of the corporation.

If this corporation has members, then, if this corporation receives TWENTY-FIVE THOUSAND DOLLARS (\$25,000), or more, in gross revenues or receipts during the fiscal year, this corporation shall consider sending the above annual report to all members, in such manner, at such time, and with such contents, including an accompanying report from independent accountants or certification of a corporate officer, as specified by the above provisions of this Section relating to the annual report.

ARTICLE X FISCAL YEAR

SECTION 1. FISCAL YEAR OF THE CORPORATION

The fiscal year of the corporation shall begin on the July 1 and end on June 30 in each year.

ARTICLE XI AMENDMENT OF BYLAWS

SECTION 1. AMENDMENT

Subject to any provision of law applicable to the amendment of Bylaws of public benefit nonprofit corporations, these Bylaws, or any of them, may be altered, amended, or repealed and new Bylaws adopted as follows:

a) By approval of the majority action of the sitting Board of Directors of this corporation.

ARTICLE XII AMENDMENT OF ARTICLES

SECTION 1. AMENDMENT OF ARTICLES BEFORE ADMISSION OF MEMBERS

Before any members have been admitted to the corporation, any amendment of the Articles of Incorporation may be adopted by approval of the Board of Directors.

SECTION 2. AMENDMENT OF ARTICLES AFTER ADMISSION OF MEMBERS

After members have been admitted to the corporation, amendment of the Articles of Incorporation may be adopted by the approval of the Board of Directors or by the approval of the members of this corporation.

SECTION 3. CERTAIN AMENDMENTS

Notwithstanding the above sections of this Article, this corporation shall not amend its Articles of Incorporation to alter any statement which appears in the original Articles of Incorporation of the names and addresses of the first Directors of this corporation nor the name and address of its initial agent, except to correct an error in such statement or to delete either statement after the corporation has filed a "Statement by a Domestic Non-Profit Corporation" pursuant to Section 6210 of the California Nonprofit Corporation Law.

ARTICLE XIII PROHIBITION AGAINST SHARING CORPORATE PROFITS AND ASSETS

SECTION 1. PROHIBITION AGAINST SHARING CORPORATE PROFITS AND ASSETS

No member, Director, officer, employee, or other person connected with this corporation, or any private individual, shall receive at any time any of the net earnings or pecuniary profit from the operations of the corporation, provided, however, that this provision shall not prevent payment to any such person of reasonable compensation for services performed for the corporation in effecting any of its public or charitable purposes, provided that such compensation is otherwise permitted by these Bylaws and is fixed by resolution of the Board of Directors; and no such person or persons shall be entitled to share in the distribution of, and shall not receive, any of the corporate assets on dissolution of the corporation. All members, if any, of the corporation shall be deemed to have expressly consented and agreed that on such dissolution or winding up of the affairs of the corporation, whether voluntarily or involuntarily, the assets of the corporation, after all debts have been satisfied, shall be distributed as required by the Articles of Incorporation of this corporation and not otherwise.

ARTICLE XIV MEMBERS

SECTION 1. DETERMINATION OF MEMBERS

If this corporation makes no provision for members, then, pursuant to Section 5310(b) of the Nonprofit Public Benefit Corporation Law of the State of California, any action which would otherwise, under law or the provisions of the Articles of Incorporation or Bylaws of this corporation,

require approval by a majority of all members or approval by the members, shall only require the approval of a majority vote of the Board of Directors.

North Figueroa Association Bylaws

November 2001

WRITTEN CONSENT OF DIRECTORS ADOPTING BYLAWS

We, the undersigned, are all of the persons named as the initial Directors in the Articles of Incorporation of North Figueroa District Association, a California nonprofit corporation, and, pursuant to the authority granted to the Directors by these Bylaws to take action by unanimous written consent without a meeting, consent to, and hereby do, adopt the foregoing Bylaws, consisting of 21 pages and one attached exhibit, as the Bylaws of this corporation.

1. Steve Homel, President
1. Tom Wilson, Vice President
1. Madhu Bansal, Treasurer
1. Greg Lukosky, Secretary

Dated: November 2001

CERTIFICATE

This is to certify that the foregoing is a true and correct copy of the Bylaws of the corporation named in the title thereto and that such Bylaws were duly adopted by the Board of Directors of said corporation on the date set forth below.

Dated: November 15, 2001

Agent: _____
Marco Li Mandri

EXHIBIT A

MAP OF THE NORTH FIGUEROA ASSOCIATION COMMUNITY

Description of the Boundaries: The district is bordered by the following streets or highways:

- II *On the south, at the intersection of North Figueroa and Avenue 50;*
- II *On the north, at the intersection of North Figueroa and Avenue 61;*
- II *Both sides of North Figueroa, all properties, including public, private and non-profit properties as well as city owned peripheral parking lots will be included*
- II *Specifically, the address series encompassing the proposed district includes the following:*
 - a. **5000 - 6039 North Figueroa**
 - b. **105 North Avenue 52**
 - c. **115 North Avenue 53**
 - d. **105 South Avenue 53**
 - e. **104 North Avenue 56**
 - f. **116 South Avenue 56**
 - g. **122-123 North Avenue 57**
 - h. **124 South Avenue 57**
 - I. **126 North Avenue 58**
 - j. **117-120 South Avenue 58**
 - k. **105-124 North Avenue 59**